

AMENDMENTS TO THE SPECIFICATION:

Please replace paragraph [0003] with the following amended paragraph:

a! [0003] In conventional systems, if the identity of the person is not confirmed, or if the identification card is found to be invalid for some reason, the user is permitted to submit another card, or the user simply does not execute the transaction. For example, if a person wishes to purchase items on a credit card, such as ~~Visa, Master Card, Discover, American Express~~ VISA®, MASTER CARD®, DISCOVER®, AMERICAN EXPRESS®, etc., and if the card is found to have been expired, or if the identity of the person encoded on the card does not match with the person submitting it for a transaction, the user may simply not purchase the items, pay cash, or use another card. In other words, it is the user's option to either submit another form of payment or refuse the transaction altogether. Similarly, if a person uses an identification or security card for, for example, gaining access to a building or facility, and if the card is determined to have been expired, invalid, or if there is an unsuccessful match between the identity of the person from those previously authorized to gain entry, the user is simply denied entry. The denial of entry into a building, or a decision not to execute a transaction, does not in any way limit that person's ability to enter into or execute another transaction with another person, group, or entity. In other words, the present systems fall short of preventing or obstructing a person from negotiating a

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- transaction with another person, group, or entity, if irregularities, such as invalidity of the identification card, criminal record, etc., are found.

Please replace paragraph [0013] with the following amended paragraph:

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[0013] Yet an additional object of the present invention is to provide a method and system which, in effect, incapacitates or immobilizes a person in a population since that person is prevented or obstructed from negotiating any transaction with another person, group, or entity in the population, in the event the portable data device or the national identification card carried by the person, and containing electronically coded information about that person, is found to be inactive or expired, or if the card is found as not belonging to that person, has been tampered with, or is counterfeit. It is noted that the system of the invention is not a substitute for the conventional identification or transaction cards, such as ~~Master Card, Visa, Discover, and American Express~~ MASTER CARD[®], VISA[®], DISCOVER[®], and AMERICAN EXPRESS[®], but serves as a supplement thereto. For example, a person wishing to negotiate a transaction, such as purchasing an airline ticket, would first have to clear the security requirements of the system of the present invention, followed by purchasing the ticket itself by, for example, using a credit card. Therefore, the system of the present invention, first validates the person wishing to negotiate a transaction, as

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a legitimate and rightful person, and then allows the person to proceed to negotiate the transaction itself. Accordingly, the system functions as a national security system.
